

**ASSEMBLY BILL**

**No. 2360**

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**Introduced by Assembly Member Chesbro**

February 19, 2010

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An act to amend Section 4799.13 of the Public Resources Code, relating to forest resources, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2360, as introduced, Chesbro. Forest resources: Forest Resources Improvement Fund.

(1) Existing law authorizes money in the Forest Resources Improvement Fund (the fund) to be expended, upon appropriation by the Legislature, for the cost of operations associated with the management of state lands operated as demonstration state forests by the Department of Forestry and Fire Protection.

The bill would authorize money in the fund to be used to implement approved management plans and to fund public education, restoration, research, and monitoring activities related to a demonstration forest.

(2) Existing law requires the fund to be the depository for all revenue derived from the repayment of certain loans made or interest received, and the receipts from the sale of forest products to support certain operations.

This bill would also require all revenue originating from activities within the state forest boundaries, including revenue from leases, rent, fees, firewood, and permits to be deposited into the fund.

(3) Existing law requires all excess money in the fund to be deposited in the General Fund.

This bill would instead require all excess money in the fund to accrue in any year in which revenue deposited in the fund exceeds expenditures.

This bill would require this money to be used, as determined by the director and upon appropriation by the Legislature, to fund specified programs if those programs do not receive General Fund revenue at the same or a higher level than in the previous budget year. The bill would require the money in the fund to accrue until it is equal to the sum of the previous 2 fiscal years' appropriations for the programs and activities authorized to receive money from the fund and at the end of a fiscal year in which the balance in the fund exceeds the maximum reserve amount, the bill would require the money to be deposited into the General Fund.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 4799.13 of the Public Resources Code  
2     is amended to read:  
3     4799.13. (a) There is hereby created in the State Treasury, the  
4     Forest Resources Improvement Fund. ~~The~~ *Except as provided in*  
5     *subdivision (e), the money in the Forest Resources Improvement*  
6     Fund may only be expended, upon appropriation by the Legislature,  
7     for the cost of operations *and related administrative costs,*  
8     associated with management of lands held in trust by the state and  
9     operated as demonstration state forests by the department pursuant  
10    to Section 4646 ~~including, to implement approved forest~~  
11    ~~management plans of the demonstration state forests, and to fund~~  
12    ~~public education, restoration, research, and monitoring activities~~  
13    ~~related to demonstration state forests.~~  
14    (b) The Forest Resources Improvement Fund shall be the  
15    depository for all revenue *originating from activities within state*  
16    *forest boundaries, including revenue from leases, rent, fees,*  
17    *firewood, and permits, as well as all revenue* derived from the  
18    repayment of loans made or interest received pursuant to Chapter  
19    1 (commencing with Section 4790), and the receipts from the sale  
20    of forest products, as defined in Section 4638, from the state forests  
21    to support the ~~operations described in activities authorized by~~  
22    subdivision (a). ~~Money in the fund in excess of the amount needed~~  
23    ~~to support those operations shall be deposited in the General Fund.~~  
24    (c) The director may accept grants and donations of equipment,  
25    seedlings, labor, materials, or funds from any source, *including*

*funds received as mitigation for adverse environmental impacts caused by a party responsible for causing the illegal ignition of wild fires, for the purpose of supporting or facilitating activities undertaken pursuant to this part. Any funds received shall be deposited by the director in the Forest Resources Improvement Fund.*

*(d) Each proposed expenditure by the department of money from the Forest Resources Improvement Fund shall be included as a separate item and scheduled individually in the Budget Bill for each fiscal year for consideration by the Legislature. These appropriations shall be subject to all of the limitations contained in the Budget Bill and to all other fiscal procedures prescribed by law with respect to the expenditure of state funds.*

*(e) (1) If in a budget year, the General Fund does not provide funding to the department for programs, as specified in paragraph (2), at the same level or higher than the previous budget year, the program funding shortfall may be made whole with money from the Forest Resources Improvement Fund reserve, created in subdivision (f), as determined by the director, and upon appropriation by the Legislature through the annual Budget Act.*

*(2) The following programs are eligible for funding from the Forest Resources Improvement Fund reserve:*

*(A) Pest management.*

*(B) State nurseries and seed banks.*

*(C) Forest investment.*

*(D) Urban forestry.*

*(E) Vegetation management.*

*(F) Fire and resource assessment.*

*(f) A reserve shall accrue in the Forest Resources Improvement Fund in any year in which revenue deposited in the fund exceeds expenditures appropriated to implement this section. The reserve shall accrue until it is equal to the sum of the previous two fiscal years' appropriations for the programs authorized to receive funds from the Forest Resources Improvement Fund pursuant to this section. At the end of the fiscal year in which the balance in the Forest Resources Improvement Fund exceeds the maximum reserve amount imposed by this subdivision, all excess money above that amount shall be deposited in the General Fund.*

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